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Washington, DC 20224

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Date:

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LEGEND:

Target Fund =

Series =

Acquiring Fund =

State A =

Y =

Z =

Adviser =

Sub-Adviser 1 =

Sub-Adviser 2 =

Sub-Adviser 3 =

Date 1 =

Date 2 =

Date 3 =

Dear :

This letter responds to your representative's letter dated September 28, 2007, requesting rulings as to the federal income tax consequences of a proposed transaction. Additional information was submitted by letters dated November 28, 2007 and January 28, 2008. The material information submitted is summarized below.

The Acquiring Fund is organized as a diversified series of the Series, a State A business trust registered under the Investment Company Act of 1940 (the "1940 Act") as an open-end management investment company. The Acquiring Fund has elected to be treated as a regulated investment company (a "RIC") under §§ 851 through 855 of the Internal Revenue Code (the "Code") and is treated as a separate corporation and separate taxpayer for federal income tax purposes pursuant to § 851. The Acquiring Fund invests primarily in common stocks of y.

The Target Fund is organized as a diversified series of the Series. The Target Fund has elected to be treated as a RIC under §§ 851 through 855 and is treated as a separate corporation and separate taxpayer for federal income tax purposes pursuant to § 851. The Target Fund invests primarily in common stocks of y.

Prior to Date 2, the Target Fund was advised by Adviser who employed Sub-Advisers 2 and 3 to manage portions of the Target Fund's portfolio of securities. On Date 1, Sub-Adviser 2 notified Adviser that it intended to cease operations as an investment adviser on Date 3. On Date 2, the Board of Trustees for the Series (the "Board") determined that it was in the best interest of the Target Fund's shareholders to immediately terminate the existing sub-advisory agreements with both Sub-Adviser 2 and Sub-Adviser 3. On Date 2, the Board appointed Sub-Adviser 1 to act as sub-adviser of the Target Fund. Sub-Adviser 1 serves as sub-adviser to the Acquiring Fund. After Date 2, in light of the appointment of Sub-Adviser 1 as sub-adviser to the Target Fund, the Board adjusted the principal investment strategies and policies of the Target Fund to be identical to the investment strategies and policies of the Acquiring Fund.

Since Date 2, as a result of the adjustment in principal strategies and policies of the Target Fund described above, Sub-Adviser 1 has disposed of certain holdings of the Target Fund that it believed were under-performing in order to invest the Target Fund's assets in securities of y that better match the adjusted strategies and policies. The Target Fund plans to dispose of additional holdings prior to the proposed transaction. In the aggregate, between Date 2 and the date of the proposed transaction, z% of the Target Fund's portfolio as it existed on Date 2 may change.

PROPOSED TRANSACTION

For business reasons and pursuant to a plan of reorganization, it is proposed that the Acquiring Fund and the Target Fund undertake the following transactions (the "Reorganization"):

- (i) The Target Fund will transfer all of its assets to the Acquiring Fund solely in exchange for shares of the Acquiring Fund (including fractional shares) and the Acquiring Fund's assumption of all of the Target Fund's liabilities.
- (ii) The Target Fund will distribute pro rata to its shareholders all of the Acquiring Fund shares received in step (i) above, in complete liquidation of the Target Fund. No shareholder of the Target Fund will receive property other than stock of the Acquiring Fund.
- (iii) The Target Fund will be dissolved under applicable state law.

REPRESENTATIONS

The following representations have been made in connection with the Reorganization:

- (a) The fair market value of the shares of the Acquiring Fund that will be received by each Target Fund shareholder will be approximately equal to the fair market value of the shares of the Target Fund that will be surrendered in exchange therefor. In the Reorganization, the Acquiring Fund will issue no consideration to the Target Fund shareholders other than the Acquiring Fund shares (including fractional shares, if any) in exchange for their Target Fund shares.
- (b) On the date of Reorganization and at all times after, there will be no plan or intention by the Acquiring Fund or any person related to the Acquiring Fund (as defined in § 1.368-1(e)(4) of the Income Tax Regulations) to acquire or redeem any of the Acquiring Fund shares issued in the Reorganization either directly or through any transaction, agreement, or other arrangement with any other person, other than redemptions that the Acquiring Fund will make as an open-end investment company pursuant to § 22(e) of the 1940 Act.
- (c) During the five year period ending on the date of the Reorganization, neither the Target Fund nor any person related to the Target Fund (as defined in § 1.368-1(e)(4) without regard to § 1.368-1(e)(4)(i)(A)) will have (i) acquired Target Fund shares with consideration other than shares of the Acquiring or Target Fund, except for shares redeemed in the ordinary course of the Target Fund's business as an open-end investment company pursuant to § 22(e) of the 1940 Act, or (ii) made distributions

with respect to the Target Fund shares except for (a) normal, regular, dividend distributions made pursuant to the historic dividend paying practice of the Target Fund, and (b) distributions and dividends declared and paid in order to ensure the Target Fund's continuing qualification as a RIC and to avoid the imposition of fund-level tax.

- (d) Prior to or in the Reorganization, neither the Acquiring Fund nor any person related to the Acquiring Fund (as defined in § 1.368-1(e)(4)) will have acquired, directly or through any transaction, agreement or arrangement with any other person, Target Fund shares with consideration other than Acquiring Fund shares.
- (e) The Acquiring Fund will acquire at least 90 percent of the fair market value of the net assets and at least 70 percent of the fair market value of the gross assets held by the Target Fund immediately prior to the Reorganization. For purposes of this representation, amounts used by the Target Fund to pay its reorganization expenses and all redemptions and distributions made by the Target Fund immediately preceding the transfer (except for (i) redemptions of shares pursuant to § 22(e) of the 1940 Act and (ii) distributions and dividends declared and paid in order to ensure the Target Fund's continuing qualification as a RIC and to avoid the imposition of fund-level tax) will be included as assets of the Target Fund held immediately prior to the Reorganization.
- (f) The liabilities of the Target Fund that will be assumed by the Acquiring Fund (within the meaning of §357(d)) were incurred by the Target Fund in the ordinary course of business and are associated with the assets transferred to the Acquiring Fund.
- (g) The Acquiring Fund is in the same line of business that the Target Fund was in preceding the Reorganization for purposes of § 1.368-1(d)(2). Following the Reorganization, the Acquiring Fund will continue such line of business and has no plan or intention to change such line of business. Neither the Acquiring Fund nor the Target Fund entered into such line of business as part of the plan of reorganization. On the date of Reorganization, at least 33 1/3% of the Target Fund's portfolio assets will meet the investment objectives, strategies, policies, risks and restrictions of the Acquiring Fund. On the date of the Reorganization, the Target Fund will not have altered its portfolio in connection with the Reorganization to meet the 33 1/3% threshold. On the date of Reorganization, the Acquiring Fund will have no plan or intention to change any of its investment objectives, strategies, policies, risks and restrictions after the Reorganization.

- (h) To the best of the knowledge of the Acquiring Fund's management, as of the record date for the Target Fund shareholders entitled to vote on the Reorganization, there was no plan or intention by the Target Fund shareholders to sell, exchange, or otherwise dispose of a number of the Target Fund shares (or the Acquiring Fund shares received in the Reorganization), in connection with the Reorganization, that would reduce the Target Fund shareholders' ownership of the Target Fund shares (or equivalent Acquiring Fund shares) to a number of shares that was less than 50% of the number of the Target Fund's shares as of the record date.
- (i) The Acquiring Fund, the Target Fund, and the shareholders of the Target Fund will pay their respective expenses, if any, incurred in connection with the Reorganization. If the Acquiring Fund or the investment advisor to the Target Fund pays or assumes expenses of the Target Fund, they will pay or assume only those expenses of the Target Fund that are solely and directly related to the Reorganization in accordance with the guidelines established in Rev. Rul. 73-54, 1973-1 C.B. 187.
- (j) At the time of the Reorganization, there will be no intercorporate indebtedness existing between the Acquiring Fund and the Target Fund that was issued, acquired, or settled at a discount.
- (k) The Acquiring Fund and the Target Fund have elected to be taxed as RICs under § 851, and for all of their taxable periods (including the last short taxable period ending on the date of Reorganization for the Target Fund), have qualified or intend to qualify for the special tax treatment afforded to RICs under the Code. After the Reorganization, the Acquiring Fund intends to continue to so qualify.
- (l) The Acquiring Fund will not own, directly or indirectly, nor will it have owned during the five years preceding the date of Reorganization, directly or indirectly, any Target Fund shares.
- (m) On the date of Reorganization, the Target Fund will not be under the jurisdiction of a court in a Title 11 or similar case within the meaning of § 368(a)(3)(A).
- (n) After the proposed transaction, the shareholders of the Target Fund will be in control of the Acquiring Fund within the meaning of §§ 368(a)(2)(H)(i) and 304(c).

- (o) The Acquiring Fund has no plan or intention to reacquire any of its stock issued in the transaction, except in the ordinary course of its business as an open-end investment company pursuant to § 22(e) of the 1940 Act.
- (p) The fair market value of the assets of the Target Fund transferred to the Acquiring Fund will each equal or exceed the sum of the liabilities assumed by the Acquiring Fund (as determined under § 357(d)).
- (q) At the time of the proposed transaction, the Acquiring Fund will not have outstanding any warrants, options, convertible securities, or any other type of right pursuant to which any person could acquire the Acquiring Fund shares that, if exercised or converted, would affect the Target Fund shareholders' acquisition or retention of control of the Acquiring Fund as defined in §§ 368(a)(2)(H)(i) and 304(c).

RULINGS

Based solely on the information submitted and the representations set forth above, we hold as follows:

- (1) The transfer by the Target Fund of all its assets to the Acquiring Fund in exchange for the Acquiring Fund stock and the assumption by the Acquiring Fund of all of the Target Fund liabilities followed by the distribution of the Acquiring Fund stock in complete liquidation of the Target Fund will qualify as a reorganization within the meaning of § 368(a)(1)(D). The Acquiring Fund and the Target Fund each will be a "party to a reorganization" within the meaning of § 368(b).
- (2) No gain or loss will be recognized by the Target Fund upon the transfer of all of its assets to the Acquiring Fund in exchange for Acquiring Fund stock and the assumption by the Acquiring Fund of all of the Target Fund liabilities. Sections 361(a) and 357(a).
- (3) No gain or loss will be recognized by the Target Fund on the distribution of Acquiring Fund stock to its shareholders. Section 361(c).
- (4) No gain or loss will be recognized by the Acquiring Fund upon the receipt of all of the assets of the Target Fund in exchange for Acquiring Fund stock. Section 1032(a).
- (5) The basis of the assets of the Target Fund in the hands of the Acquiring Fund will be the same as the basis of those assets in the hands of the Target Fund immediately prior to the transfer. Section 362(b).

- (6) The holding period of the assets of the Target Fund in the hands of the Acquiring Fund will include the period during which those assets were held by the Target Fund. Section 1223(2).
- (7) No gain or loss will be recognized by the Target Fund shareholders on the receipt of the Acquiring Fund stock solely in exchange for their Target Fund stock. Section 354(a).
- (8) The basis of the shares of the Acquiring Fund received by Target Fund shareholders will be the same as the basis of the Target Fund stock surrendered in exchange therefore. Section 358(a)(1).
- (9) The holding period of the Acquiring Fund stock received by the Target Fund shareholders will include the period during which the Target Fund shareholders held the Target Fund stock surrendered in exchange therefor, provided the Target Fund stock was held as a capital asset on the date of the exchange. Section 1223(1).
- (10) Pursuant to §§ 381(a) and 1.381(a)-1, the Acquiring Fund will succeed to and take into account the items of the Target Fund described in § 381(c), subject to the provisions and limitations specified in §§ 381, 382, 383, and 384, and the regulations thereunder. Pursuant to § 1.381(b)-1, the tax year of the Target Fund will end on the effective date of the Reorganization.

CAVEATS

The rulings contained in this letter are based on facts and representations submitted by the taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. This office has not verified any of the materials submitted in support of the request for rulings. Verification of the information, representations, and other data may be required as part of the audit process.

We express no opinion about the tax treatment of the transactions described above under other provisions of the Code or Income Tax Regulations, or the tax treatment of any conditions existing at the time of, or effects resulting from, the transactions described above that are not specifically covered by the above rulings.

PROCEDURAL STATEMENTS

This ruling letter is directed only to the taxpayer requesting it. Section 6110(k)(3) provides that it may not be used or cited as precedent.

A copy of this letter must be attached to any income tax return to which it is relevant. Alternatively, any taxpayer filing its return electronically may satisfy this requirement by attaching a statement to the return that provides the date and control number of this letter ruling.

In accordance with the power of attorney on file in this office, a copy of this ruling letter will be sent to your authorized representative.

Sincerely,

Lisa A. Fuller
Senior Counsel, Branch 1
Office of Associate Chief Counsel (Corporate)